

Washington, DC – Today, Congressman Earl Blumenauer (OR-03) introduced the Ending Bill Oil Tax Subsidy Act (HR 609), legislation that could save American taxpayers almost \$40 billion over the next 5 years. The legislation is modeled on President Obama's proposal to eliminate oil and gas tax preferences in his Fiscal Year 2013 Budget.

Right now, Americans are subsidizing some of the largest and most profitable companies in the world with their tax dollars. Taxpayers currently subsidize oil injection, extraction, exploration, drilling, injection, manufacturing, pricing, and inventory valuing, by offsetting foreign taxes, providing generous credits and deductions, and offering tax shelters.

"Extremely profitable, well-established, large corporations do not need enormous subsidies from the government, and we simply cannot afford to let them continue," said Blumenauer. "It is well established in a global petroleum market that this subsidy has zero impact on reducing prices for American consumers. Instead of padding the bottom line of oil companies, this money could be better spent renewing and rebuilding our nation's infrastructure, or preventing some of the most draconian cuts that families will face this spring if Congress does not act on sequestration."

The act would end 10 of the most egregious tax loopholes enjoyed by the oil industry – tax loopholes that have helped BP, Chevron, ConocoPhillips, ExxonMobil and Shell make a combined profit of nearly \$1 trillion over the past decade.